GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5335
ANSWERED ON:28.04.2000
RECESSION IN INDUSTRY
DILIP KUMAR MANSUKHLAL GANDHI;RAVINDRA KUMAR PANDEY

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the announcement of 5 percent reduction in plan expenditure by the Government is likely to result in recession in the industry as apprehended by the industry;

(b) if so, the likely effects thereof on the domestic industry and economic growth;

(c) the steps proposed to be taken by the Government to avert the situation ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) to (c) :- A statement is enclosed.

Statement referred to in reply to Lok Sabha Unstarred Question No. 5335 for answer on 28.04.2000.

(a) to (b): According to Planning Commission 5 percent reduction in Annual Plan (1999-2000) outlays has not resulted in recession in industry and economic growth during the year 1999-2000. The Government have taken a number of measures like privatization, liberalization of foreign direct investment, de-licensing and reduction in rate of interest to attract private investment.

(c): Do not arise in view of answer in (a) & (b) above.